

*Independent
Economic Construction
in Korea*

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INDEPENDENT ECONOMIC CONSTRUCTION IN KOREA

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BUILDING OF INDEPENDENT NATIONAL ECONOMY — WAY TO REUNIFICATION, INDEPENDENCE AND PROSPERITY OF THE COUNTRY

Following is the translation of an editorial carried in "Rodong Shinmoon" (April 11, 1963). Boldface emphases are the same as those appearing in the paper. — Ed.

In recent days voices are rising ever higher in South Korea deploring the disastrous effect brought upon it by the U.S. "policy on South Korea" and the U.S. "aid" and demanding that independent development of the country and economic independence should be sought, rejecting dependence on foreign forces. This is a just demand arising from the bitter experiences of the South Korean people. Therefore, we wholeheartedly approve of it.

In this connection the question of the country's unification with the nation's own strength was once dealt with in our paper. Today we are going to take up the question of independent development of the national economy — the basis for surmounting the economic disaster in South Korea and achieving the genuine independence of the country and the prosperity of the nation.

No nation on earth can build an independent country and make it rich and strong and achieve national prosperity without an independent economic foundation.

Comrade Kim Il Sung said as early as 1947: **"In order to**

build a democratic state the foundation of an independent economy of the nation must be established... Without the foundation of an independent economy we can neither attain independence, nor found the state nor subsist."

Economic independence is the basis of political independence. Economic dependence on foreign forces entails political dependence on those forces. Economic subordination leads to political subordination.

We hold that all nations are equal and sovereign and that they alone have the right to decide their own fate. But how can the right to national equality and independence be guaranteed if there is no economic independence? Those who refuse to recognize the necessity of building an independent national economy actually negate the right to national equality and independence. None other than the imperialists are pursuing the policy of economically subjugating other countries and then violating their independence and sovereignty, using the "aid" as a bait for their aggressive purposes. The "European Common Market," "Atlantic Community," "Integration of World Economy," etc., much vaunted by the imperialists today, all pursue the aggressive aim of stamping out the political and economic independence of the small nations inveigled into joining the "communities" and placing them under the control of the imperialist powers.

Nations economically dependent on foreign imperialists cannot be essentially free from political subjugation and plunder by the imperialists, even if they attain nominal, political independence. Only those countries that have independent national economy can establish economic ties with other countries on the principle of complete equality and mutual benefits and can come out in the international arena as full-fledged independent countries enjoying equal rights among all other big and small nations of the world.

Without laying the foundation of an independent national economy, one cannot expect the prosperity of the country nor can

the livelihood of the people be improved. Without the means of building a national life with the nation's own strength, how can they build a civilized, rich and powerful independent country? How can a nation expect to live well, relying on the strength of others, without mobilizing its own resources and strength? We know as yet no instance of a rich and powerful independent state being built relying on foreign forces. We know no instance of people's welfare being promoted relying on the imperialists' "aid."

In fact, without an independent national economy science, technology and culture cannot be developed; nor can the nation be free from the backward state far removed from the modern, civilized world. Only by building a developed national economy can the nation enjoy all the fruits of modern society and also contribute to the development of culture of mankind as a civilized nation.

Road of reliance on foreign forces, road of reliance on the imperialists' "aid" — this is the path of subordination, the road of ruin. The path of independent development and building an independent national economy — this is the only just path of securing the independence of the country and ensuring the thriving and prosperity of the nation.

The most eloquent testimony to this is found in the two diametrically different realities in North and South Korea.

What really are the results brought to South Korea by the "policy towards South Korea" pursued by the United States, the self-styled "well-meant helper?" What has the so-called U.S. "aid" brought to the South Korean people? It is colonial subjugation and plunder, political confusion and economic disaster, unheard-of hardships of living and social corruption. Thanks to the aggressive policy of the U.S. imperialists and the country-selling policy of the South Korean reactionary forces, the colony of Japanese imperialism of yesterday has become the colony of U.S. imperialism today. Through "aid" the U.S. imperialists control the whole economic activities in South

Korea and have reduced the South Korean economy to a U.S. military appendage. Under a series of treacherous agreements the South Korean ruling circles have paved the way for the penetration of U.S. monopoly capital, and transferred to the U.S. government the right of unrestricted control over the South Korean economy.

To begin with, the South Korean budget, the basis of financial and economic activities of the South Korean "regime," is completely under the control of the U.S. imperialist aggressors. Close to half of the total revenue in the South Korean budget is met by the "foreign fund" income under the U.S. "aid." The South Korean "government" can neither compile the budget nor disburse fund without the prior approval of the U.S. overlord.

By taking control of the financial organs as well as the budget of South Korea through the "aid," the U.S. imperialists control not only the financial and economic activities of the South Korean "government" but also the funds of all economic organs and enterprises. The U.S. "aid" fund comprises as much as 30 per cent of the source of the loan fund of the banks including the "Bank of Korea" and all other financial organs of South Korea.

The U.S. imperialists have also chained the South Korean industry to the U.S. raw materials and other materials with their "aid." South Korea is not only unable to solve the question of necessary materials and raw materials through the exploitation of home resources but has no means of its own to import the insufficient materials and raw materials from foreign countries through trade. South Korea depends on the U.S. "aid" for the greater part of the major materials such as steel, lumber and cement and almost all of such raw materials as bituminous coal, raw cotton, artificial silk yarn and caustic soda. And once this "aid" is brought to a halt, neither industry nor transport can be operated.

South Korean foreign trade is likewise monopolized by the

United States. In South Korean foreign trade, its imports exceed its exports twentyfold, 80 per cent of the total import being from the United States. The South Korean markets are flooded with American goods from across the Ocean.

Thus, in South Korea budget, funds of enterprises, major materials and raw materials as a whole are in the clutches of the United States, and foreign trade and home markets are also monopolized by the United States. It is the "U.S. Operation Mission" in South Korea administering the U.S. "aid" as the agency of the U.S. government that is playing the master in the economic life of South Korea.

It is self-evident that the South Korean economy which is controlled by the U.S. aggressors cannot develop in the interests of the South Korean people and the interests of our entire nation. The South Korean economy is entirely serving the U.S. imperialist policy of military aggression and colonial plunder.

South Korea has received over ten billion dollars of U.S. "aid" to date since the U.S. imperialists began to lord it over South Korea. The bulk of this "aid" was direct military "aid."

It is known throughout the world that a huge South Korean army over 600,000 strong is a mercenary army serving the aggressive purposes of U.S. imperialism, not for the defence of the nation. U.S. military "aid" to South Korea is nothing but part of the expenses defrayed by the U.S. imperialists to maintain their military bases for invading the whole of Korea and Asia.

It is more beneficial for the U.S. imperialists to use the South Korean army, which is much less expensive than the U.S. army, in pursuing such aggressive aim. By impressing a huge number of South Korean youth and middle-aged into the puppet army and shifting the enormous expenses needed for its maintenance upon the shoulders of the South Korean people, they are outrageously "economizing" the outlay of their military expenses. In fact, only one twentyfifth of the amount needed for maintaining one U.S. division is sufficient for the

U.S. imperialists to keep one puppet army division in South Korea. The U.S. imperialists' colonial rule has ruined the South Korean economy and reduced millions of working people to the unemployed, and these form a source of cheap mercenaries for them.

While keeping a huge puppet army for their aggressive purposes and shifting the heavy burden of military expenses on the shoulders of the South Korean people the U.S. imperialists are still palavering as if they are giving certain "aid."

South Korea is not only providing the U.S. aggressors with over 600,000 youths and middle-aged as cannon fodder but also disbursing one third of its annual total output value for military expenses. It is self-evident that under such circumstances economic construction is out of the question.

The so-called "pure economic aid" is also nothing but a means for fettering South Korea to the United States and mobilizing the South Korean resources and production for the military purposes of the United States. To begin with, the U.S. imperialists do not bring in machines, equipment and production installations necessary for the development of the national economy of South Korea. The "aid" goods they bring in are certain materials and raw materials for fettering the South Korean economy and such luxury goods as American cigarettes and toilet articles which are alien to the living of the popular masses of South Korea.

As a price for the "aid" the South Korean ruling circles have not only completely handed over the sovereignty and the key branches of economy of South Korea to the U.S. imperialists but also presented to them far more riches than the total amount of "aid" as a tribute. The United States had given 3.3 billion dollars of "economic aid" to South Korea up to the end of 1962, but the amount of the South Korean wealth they plundered in this period reached 8 billion dollars, even according to an extremely curtailed figure. This means that the U.S.

imperialists shipped out of South Korea 2.4 times more than what they gave to South Korea.

Therefore, U.S. President Kennedy, in his recent "foreign aid message" to Congress, stated that the "contribution of this program to our national interests clearly outweighs its cost" and did not conceal the fact that it is a lucrative business.

By ushering U.S. monopoly capital into South Korea and selling off the sovereign power and natural resources of the country to the U.S. imperialists, a handful of the South Korean reactionary traitorous circles are lining their pockets. No small portion of the U.S. "aid" is directed to fostering this pro-American, traitorous force. In the domain of industry, 40 per cent of the total industrial output value is concentrated on the enterprises of the comprador capitalists comprising only one per cent of the total number of enterprises of South Korea.

Owing to the constant pressure exerted by the U.S. monopoly capital and comprador capital, the road of development of national industry in South Korea has been completely blocked and the colonial onesidedness and backwardness of industry left over by Japanese imperialism have further aggravated.

The share of industry in the total national income of South Korea is only one-third and the machine-building industry, basis of economic independence, is almost non-existent. The South Korean underground resources are lying unexploited, except a few mines that are being exploited for supplying strategic materials to the U.S. imperialists. Even the scanty textile and food industries known to exist in South Korea are mostly engaged in the production of war supplies. All this is in the hands of the comprador capitalists who are under the protection of the United States.

The South Korean industry is completely subordinated to the United States as a deformed industry having no raw ma-

terial bases of its own and no key heavy industrial branches.

Due to the ever growing shortage of raw materials and funds, the medium and small enterprises are going bankrupt and declining with each passing day. Numbers of medium and small enterprises have been closed down and over 60 per cent of the remaining enterprises are operating under capacity or have stopped operating.

The output of South Korean industry, totally crippled by the aggressive U.S. "aid," falls short of even the level at the time of the Japanese imperialists' rule.

The South Korean traitorous clique subservient to the foreign forces have not only destroyed altogether the South Korean industry but totally ruined agriculture as well.

The broad peasant masses are still subjected to harsh exploitation under the feudal system of land ownership. Far from making investment in agriculture, the South Korean rulers have bled the rural population white.

As the result of utter negligence of irrigation projects and forest and water conservancy work, land is being devastated with each passing day. Three million jungbo (one jungbo approximates one hectare) of forest area in South Korea, nearly half of the total, has been denuded and even the existing irrigation facilities have been completely destroyed.

Thus yearly a vast stretch of fertile land is being turned into waste land, and more than half of the farm land has turned into sterile land which can yield practically nothing unless it is restored and ameliorated.

The U.S. imperialists wrested from the South Korean peasants more than 100,000 jungbo of land for military use.

Under the condition in which industry is wrecked and agriculture extremely fragmentized, the South Korean rural villages have no chance of making any technical progress and the agricultural technique is still in the mediaeval state.

The destruction and stagnation of the agricultural productive forces and the constant pressure of the U.S. surplus farm

produce have brought about a sharp decline in production. By shipping in their surplus farm produce, the U.S. imperialists brought down the prices of the South Korean farm produce below the production cost, thereby ruining the peasants' economy and sapping the agricultural production to the extreme. Grain production has decreased to two-thirds compared with the pre-liberation days, cotton growing has almost died out and animal husbandry and sericulture are on a steady decline. Thus, South Korea, formerly a granary of our country, has changed today into an area of chronic famine, which has to import annually 5-7 million suk (one suk equals 150 kg) of U.S. surplus food grain. Having led the South Korean agriculture to such a predicament, the U.S. imperialists have been shipping in as "aid" goods spoilt flour unmarketable anywhere else. This is indeed something like giving medicine while causing disease.

People's living in South Korea is in an indescribably miserable situation. Over 6 million working people, approximately half of the able-bodied population, are chronically unemployed or semi-unemployed.

The spiralling inflation caused by the expansion of military expenses is sharply curtailing the value of South Korean currency and leading the people's livelihood into the slough of poverty. In the 18 years since liberation the prices of commodities have risen no less than five thousand fold. The hardships of living have reached the climax following the assumption of power by the military fascist clique. While the prices of commodities are going up daily, the workers' wages have been frozen for three years now.

More frightful is the peasants' living in South Korea. The broad peasant masses have been reduced to debt slaves of the landlords and usurers. The peasantry is shouldering altogether 18 billion won of debts. Tens of thousands of peasant families are going bankrupt and are giving up farming every year.

Roaming about hills and fields, they are now barely living on grass roots and bark.

Now a terrible famine is sweeping the whole territory of South Korea. Provisions are 10 million suk short of the required amount and millions of people are on the verge of starvation. Numerous people are languishing in undernourishment and chronic diseases, being left without any relief measure. Tragedies are taking place one after another: whole families commit suicide, unable to endure hunger and poverty any longer. Today South Korea has turned into a hell in the true sense of the word.

Precisely such are the consequences of the U.S. imperialists' "aid" to South Korea during the past eighteen years. Such are the consequences of the treacherous policy of the South Korean ruling circles of inviting outside forces and relying on them.

Although the South Korean military ruling elements have been trumpeting the "five-year plan for economic development," "physiocratic policy," etc., as if they could patch up the situation, their "new recipe" has also gone completely bankrupt. It needs material wherewithal to restore the ruined South Korean industry and agriculture and solve the question of people's living, and in order to obtain material wherewithal the domestic capital must be mobilized. But the military ruling circles have neither the means nor the ability to solve this problem. Who would put their heart into the economic construction and provide the capital, trusting such hooligans as Pak Jung Hi who is engrossed in terrorism and fraud?

The military ruling elements are trying to get the funds through the insignificant "indemnity" coming from the "property claim against Japan" or through some foreign loan, but this is only an illusion.

In order to tide over the economic catastrophe of South Korea foreign forces must be rejected, a regime of the people must be set up by the people themselves, home resources must

be explored and national economy rehabilitated and developed through the mobilization of the entire manpower and financial means. The situation can never be improved as long as South Korea is under the domination of the U.S. imperialists and their running dogs and it continues to cling to the U.S. "aid."

The situation of North Korea which took the course of independent development of the national economy presents a striking contrast with that of South Korea which is shackled to the U.S. "aid."

Under the leadership of the Workers' Party of Korea the people in the North have striven, since the first day of liberation, to wipe out the century-old backwardness and colonial dependent character of the national economy and to lay the foundation of an independent national economy.

It was a very difficult job under the condition in which we took over a backward economy and culture from the old society, we lacked national cadres and experience in economic construction. But we have undeviatingly followed the line of our own choice. This was to ensure that there would be no repetition of our past sufferings when we were trampled underfoot, humiliated and maltreated by foreign invaders because we were backward and powerless, that our people would be able to march together with all other nations of the world as an independent, powerful and civilized people.

To become independent economically means to develop the national economy relying upon one's own technique, one's own resources and the forces of one's own cadres and people and to become able to satisfy the home demand basically with home production.

As Comrade Kim Il Sung pointed out, in order to build a national life with the nation's own strength, we must "develop economy in a diversified way, equip it with up-to-date technique and create our own firm raw material bases, thus forming a comprehensive economic system which links organically all branches."

Heavy industry is the foundation of economic independence of the country and the cornerstone for the development of the national economy. Without heavy industry, light industry and agriculture cannot be developed nor can the independence of the state be ensured.

Though there was something of heavy industry in our country in the past, it was a backward, colonial one built by the Japanese imperialists to plunder the resources of Korea and exploit the Korean people and it was totally destroyed during the war at that.

We have laid solid heavy industrial bases of our own by concentrating tremendous efforts on the rehabilitation and development of heavy industry.

Today in the northern part of our country, all key heavy industrial branches such as power industry, coal industry, ferrous and non-ferrous metal industries, chemical industry, building-materials industry and machine-building industry have been secured. Our heavy industry is equipped with new technique and is developing relying on home resources and serving the development of the national economy and the betterment of our people's livelihood. This means that our heavy industry is an independent, modern heavy industry and a powerful heavy industry with a broad prospect of development.

In 1962 North Korea turned out 11,400 million kwh of electricity, 13.2 million tons of coal, more than 1.2 million tons of pig iron and luppe, 1.05 million tons of steel, 2.38 million tons of cement and roughly 780,000 tons of chemical fertilizers.

Especially, thanks to the creation and development of machine-building industry which did not exist in the past, different types of modern machines and equipment are being produced in large quantities—machine tools, electric machines, mining machines, installations of metal and chemical industries, transport and building machines, weaving machines,

farm machines and so forth. In 1962 the machine-building industry represented 23 per cent of the total industrial output value and the rate of self-supply of machines and equipment reached 92 per cent.

Thus we are supplying fuel, power, raw materials and other materials, machines and installations needed for the development of the national economy basically with home production and are carrying out an overall technical revolution on the basis of our own heavy industry.

With the powerful support of heavy industry, light industry and agriculture have likewise made swift development.

In order to boost the lagging production of consumer goods as soon as possible and meet the growing demand of the people, we have built large-scale light industrial factories equipped with modern technique and, at the same time, set up medium- and small-scale local industrial factories in all parts of the country by actively mobilising local sources of raw materials and local reserves and enlisting the force of the masses.

Today we have a developed textile industry and various food processing and daily necessities industries. We have laid a firm foundation for fully ensuring raw materials for light industry and further developing technique on our own.

North Korea which depended on import for almost all the consumer goods in the past is now meeting the demand of the people with home-made goods. Though there are few luxury goods in our stores, they are filled with daily necessities of our own make.

Originally the arable land in North Korea was small and very lean at that. Therefore, North Korea had been known from olden days as an area incapable of meeting its own food requirements.

However, we have speedily developed the production of grain and all other domains of agriculture by transforming nature through the extensive carrying out of irrigation pro-

jects and afforestation and water conservancy work and by steadily introducing modern farm machines and new farming technique.

Today we have not only become self-sufficient in food but laid a foundation for putting out large quantities of industrial crops, vegetables, various fruits and cocoons and also for developing animal husbandry.

Along with the national economy, education is developing and national culture and arts are blossoming. In North Korea the compulsory middle school education system was enforced already in 1958 and 9-year compulsory technical education will be introduced before long. The work of training national cadres has been conducted on an extensive scale, with the result that a large army of technicians and specialists has been trained and all factories and enterprises of North Korea are efficiently managed and operated by our technical personnel.

In the northern part of our country, there are no unemployed and all the labouring masses are working and studying, enjoying free medical treatment without exception. Everyone is ensured food, clothes and a dwelling house and all people are freed from any worry about their living.

Of course, much remains to be done for turning our country into a developed, modern industrial state and enabling our people to lead a more bountiful, better life.

But we have already built an industrial-agricultural state with an independent economic foundation and solved the basic problems of our people's living. We have completely freed ourselves from the century-old backwardness and poverty. Today the economy of our country is developing, relying on our own technique, raw materials, on the forces of our own cadres and working people, and our people are living without any worry with industrial goods and farm produce turned out at home. This is a great change in the history of the Korean nation.

We have prepared a firm material wherewithal, and a broad vista is open before us. Today the working people in the northern half of our country are striving to carry out the grand task of the Seven-Year Plan set forth by the Party.

When the Seven-Year Plan is fulfilled, our industry will have developed all the more and it will produce larger quantities of up-to-date machines and equipment and various kinds of means of production as well as varied consumer goods of good quality. In the field of agriculture, technical transformation will have been realised and the output of grain and all other crops and that of animal products will decisively increase. By that time, our country will have become a developed industrial state and all our people will be able to live as well as others.

The establishment of the solid foundation of an independent national economy in the northern part of our country was made possible only by firmly taking their destiny in their hands and unflaggingly cutting their way through manifold difficulties and trials under the wise guidance of the Party.

We rejected the tendency to wait on big countries, a tendency to have no faith in one's own strength and place sole reliance on others, and have consistently striven, under the principle of self-reliance, to build an independent national economy mainly with our own strength and resources. Immediately after the armistice when we had no iron, no machine and no cement and when we were short of food and clothes, we laid the foundation stones of an independent national economy one by one, living an austere life and sparing pennies. Our working people rose up as one and waged a heroic struggle for freeing themselves from the age-old backwardness and poverty at the earliest date and for the prosperity and development of the country and the flourish of the rising generation. Thus we have laid a firm foundation of the nation-

al economy and radically improved their living in a short span of time.

Following the war, we received a total of 500 million rubles (550 million dollars) of economic and technical aid from the fraternal socialist countries, and this aid, of course, helped promote our economic construction. However, even at that time, our own strength played the decisive role in rehabilitating and developing our national economy. Even under the difficult circumstances in those days, we endeavoured to use effectively the aid of the brother countries, while putting main stress on the maximum mobilisation of the forces of our people and all the home resources, not relying upon the aid alone. We directed the aid to the laying of the foundation of an independent economy for the country.

In the first place, the aid of the socialist countries is radically different from the "aid" of the imperialist countries, whose object is aggression, subjugation and plunder. Among the socialist countries there can be no such thing as using the aid as a means of interference in the internal affairs of other countries. Socialist countries give genuine, internationalist aid to other countries, aid which consolidates the national independence of the recipient nations and helps build their own independent national economy.

Today our country has already become able to stand on her own legs economically and live with her own strength. As for the economic relations of our country with the fraternal socialist countries, they are developing through foreign trade based on the principle of internationalism and the principle of complete equality and mutual benefit. Through such trade, our brother countries and we are meeting each other's needs and helping one another's economic development by exporting what we have more than enough of and importing what we lack and need.

The independent national economy we have built constitutes a reliable basis of our political independence. Our coun-

try, as a fully independent state allowing no interference from foreign countries, is independently solving all questions by itself. We have established *Jooche* (national identity) in ideology, are economically independent, pursue independent home and foreign policies and have a self-defence power capable of safeguarding our independence and sovereignty from the encroachment of any outside enemy.

The achievements and experiences gained in the northern part of our country prove that our nation can build an independent national economy through self-reliance and that only by taking this road can genuine national independence be achieved and the rapid development of economy and culture be made.

The independent national economy established in the northern part is not only the source of the happy life of the people in the northern part but also the wealth of the whole nation, and it constitutes a solid foundation for an independent development of the national economy of the whole of Korea.

We should draw a due conclusion from the two opposing lines taken by North and South Korea and from their results.

Now South Korea has been driven into a blind alley where it must find a new outlet.

Which road should South Korea take? Should it come back to life by following the road of building an independent economy, joining hands with the brothers in North Korea, or sink into the mire of ruin for ever by clinging to outside forces? It must choose one of these two roads. South Korea must resolutely abandon the course of ruining the country, extricate itself from imperialist yoke, embark upon the road of independent development and seek the strength of resurgence within the nation.

Our nation has sufficient might to expel the aggressors, build the national life by firmly standing on its own legs and

build a civilised, rich and powerful independent state. Our nation, though it once traversed a tortuous path due to the aggression of Japanese imperialism, is a courageous nation with a high sense of unity, who has long defended the independence of the country, and is an industrious and sagacious nation that has created the wealth of the country and built a brilliant culture with its own strength.

Beautiful is our land and bountiful are its resources. There is a developed industry in the North and vast fertile farm land in the South. Water-power resources and varied underground resources are to be found in various parts of the country. Our country surrounded by seas on three sides, its marine resources are also inexhaustible.

Why should our nation, which has bountiful resources in the country and an economic might for national resurgence in one half of the country, a sagacious and brave nation which has a long history and has inherited a time-honoured cultural tradition, undergo maltreatment and humiliation and live in rags and in hunger by clinging to the Yankee imperialists? We had experienced colonial slavery under Japanese imperialism for nearly half a century and our people in South Korea have again been subjected to all sorts of national contempt and humiliation for eighteen years under the colonial yoke of U.S. imperialism. Is it not high time for us to wake up from the slumber?

Some people in South Korea, calling for the independent development of the national economy on the one hand, have as yet not discarded the illusion about the imperialist "aid" and are continuing to beg for U.S. imperialists' "aid" on the other. This is just like a person asking a robber to look after his house.

Isn't it the consequences of the U.S. "aid" that the South Korean people have been made servant to others in their own country and are languishing in disease and hunger without food and clothes?

Some people in South Korea are trying to seek the way out in the "aid" of the Japanese militarists. However, inviting the aggressive Japanese monopoly capital will never improve the situation in the least but, on the contrary, will place South Korea under the two-fold enslavement of U.S. and Japanese imperialism, thereby driving the South Korean economy and the people's living into the slough of inextricable bankruptcy.

Any and every illusion about imperialism must be discarded. There is no other way but to resolutely abandon the road of relying upon outside forces and promote economic independence by pooling the strength of the whole nation.

Mutual accommodation should be effected through economic exchange between the North and the South, all the resources of North and South Korea be jointly made use of and a national economy capable of standing firmly on its own legs, not relying upon any outside force, be built by enlisting the wisdom, talent and might of the whole nation.

As viewed from the economic and geographic standpoint, too, it is rational to link the industrial area of North Korea with the agrarian area of South Korea. Only by so doing can the unified and harmonious development of the national economy be made. Why should we cling to the imperialists' "aid," not using the powerful economic might and sufficient funds of our nation?

There is no ground whatever for one and the same nation to be unable to conduct intercourse with each other when countries even with differing social systems are co-operating and meeting each other's economic needs. Differences of political views and social systems cannot constitute a barrier to co-operation and intercourse between the North and the South.

We cannot look on with folded arms at our beautiful, fertile land being devastated day after day under the heels of foreign aggressors and our brothers and sisters groaning in the quagmire. If the conditions for the reunification of the country

are as yet premature, we should realise economic intercourse at least, putting political issue aside, and cope with the economic bankruptcy in South Korea, solve the question of people's living and lay the foundation of economic independence step by step.

We maintain this, proceeding from the sole desire to save the parents, brothers and sisters in South Korea who find themselves at the crossroads of life and death and to rescue the nation from the tragedy of ruin.

Economic co-operation and intercourse between North and South Korea are advantageous for both the North and the South and the whole nation is to gain from this and has nothing to lose.

We must restore the link between the industry of North Korea and agriculture of South Korea through economic intercourse. The devastated South Korean agriculture and industry will be speedily rehabilitated and developed, if we exchange electric power, coal, iron, timber, cement, various kinds of machines and equipment and other heavy industrial goods of North Korea for the agricultural produce of South Korea.

It stands out as a burning issue in South Korea to shore up agriculture, major branch of economy, and stabilise the livelihood of the peasants comprising more than 70 per cent of its population. Interchange and co-operation between the North and the South will give fresh vigour to the extremely devastated South Korean countryside and raise agricultural production, thereby enabling South Korea not only to manage itself without importing U.S. surplus food grain but to secure food enough and to spare.

We can also meet the demand of the South Korean people for industrial goods and provide millions of unemployed with jobs by overcoming through mutual co-operation the shortage of raw materials and other materials and machines, fuel and power, the most acute problem of South Korean in-

dustry, and by rehabilitating and building national industry in South Korea.

We should not stop at rehabilitating the ruined national industry of South Korea but proceed step by step to realise industrialisation in South Korea. Independent development of economy is unthinkable apart from industrialisation. South Korea abounds in water-power resources, coal, iron ore, tungsten and other underground resources. We must not allow such precious wealth to be plundered by the imperialists nor let it lie idle any longer.

Key heavy industrial branches such as fuel-power, metal, chemical, building-materials and machine-building industries can be set up in South Korea, too, if the North and the South join their forces, jointly explore resources in South Korea and jointly use the industrial power we have already built in North Korea.

The construction of heavy industry is urgently required not only for the development of the South Korean economy but also for the strengthening of the foundation of the independent economy of the whole nation after the reunification of the country is realised in the future.

We must proceed to organically linking the North and South Korean industries and organising a rational division of labour between them, while gradually realising industrialisation in South Korea through the mobilisation of all forces at home.

If we co-operate and meet each other's needs in this way, we can bring the ruined South Korean national industry back to life, build a number of heavy and light industrial branches which form the foundation of the independence of the country, and can radically improve the living of the South Korean people and deliver South Korea from the economic bondage to U.S. imperialism once and for all.

Intercourse and co-operation between the North and the South will not only help cope with the economic disaster in

South Korea, solve the urgent problem of people's living and, furthermore, accomplish economic independence but also create very favourable conditions for the reunification of the country by removing the distrust bred by the enemy between us and bringing us closer together.

Our proposal that the North and the South pool strength and build an independent national economy is a just, patriotic proposal which no one can refute.

Nevertheless, the military rulers in South Korea are dead set against any contact and intercourse between the North and the South, to say nothing of the reunification of the country, clamouring about "storing up strength for conquering communism."

"To conquer communism" is no more than a day-dream never to be realized and it is also clear that no force can be stored up by relying upon outside force. The "five-year plan for economic development" of Pak Jung Hi based on the U.S. imperialists' "aid" ended in an empty talk, and the South Korean people are undergoing unheard-of calamities owing to his treacherous policy of storing up strength for "conquering communism."

Was it not the very Communists who have done the great patriotic work of upholding the independence of the country, laying the foundation of the national economy by developing the natural resources in the country and exploring the latent wealth of the country, enabling the people to lead a bountiful life and paving the highroad of national resurrection and prosperity? And is it not those clamouring about "anti-communism" who are committing such treacherous acts as selling the country to the Yankees, destroying the national economy, throwing people into the greatest misery and driving the nation into a land of darkness?

Today the question lies in unifying the divided country and relieving the South Korean people from misery.

Today when one half of the country is swept by hunger

and is drenched with blood owing to the aggression of U.S. imperialism, the whole nation must unite and make all efforts to expel the aggressors, accomplish the independence of the country and achieve economic independence. One should not be taken in by the "anti-communist" policy of U.S. imperialism and by its scheme to sow national discord; the North and the South must join forces, unify the country and promote the independent development of the national economy.

If the whole nation unites efforts and talents, jointly explores all the wealth of the country and develops national economy and national culture in a unified way, we can certainly build a civilised, rich and powerful, independent, modern industrial state.

Entire patriotic compatriots in South Korea, let us unite and fight against the aggressive policy of U.S. imperialism and the treacherous policy of its stooges and for the realisation of co-operation and intercourse between the North and the South!

SELF-RELIANCE AND THE BUILDING OF AN INDEPENDENT NATIONAL ECONOMY

Following is the translation of an editorial carried in "Rodong Shinmoon" (June 12, 1963). Boldface emphases are the same as those appearing in the paper. —Ed.

Our Party has won great victories in safeguarding the freedom and independence of the country and in carrying on the socialist revolution and socialist construction.

Until a short while ago the Korean people had been in a backward state, and they went through a hard-fought war, too. But they have surmounted all difficulties in an extremely brief span of time, and won a great victory. This would have been inconceivable if they had departed from the principle of self-reliance and the line of building an independent economy which have been consistently upheld by our Party.

After successfully solving the complicated tasks of the socialist revolution, our Party and our people have already entered the stage of the all-round construction of socialism.

To turn Korea into a developed socialist industrial state and to lay a firm material foundation for the country's unification and for the prosperity of the generations to come, it is necessary for us to carry out the tasks of all-round technical and cultural revolutions.

These tasks can be successfully carried out only by continuously adhering to and still more thoroughly carrying out

the principle of self-reliance and the line of building an independent economy.

Self-reliance represents the lofty revolutionary style of work and the pure revolutionary spirit of Communists.

It is the revolutionary stand of the proletariat and Communists in having steadfast loyalty to their revolutionary duty and overthrowing the old society and building a new society by their own efforts.

The proletariat of each country must strengthen its solidarity with the international proletariat but, first of all, it must rely on its own strength to complete the revolutionary tasks of its own country.

The international solidarity and mutual support and assistance of the proletariat of all countries are an important guarantee for the victory of the revolution in the struggle against oppression and capital exploitation and for the establishment of a new society. Growth of international revolutionary forces provides favourable conditions for the revolutionary struggle in individual countries.

It is a sacred internationalist duty of the Communists and the Marxist-Leninist Parties to give all-out aid, support and encouragement to each other in the struggle for revolution and construction. Firm reliance on such international solidarity is necessary for the victory of the revolution in each country.

However the master of the revolution in each country can only be the proletariat and the popular masses of that country and their guiding force, the Marxist-Leninist Party; and the decisive factor in the victory of the revolution, too, is none other than the internal force of that country.

Revolution cannot be exported from one country to another. Revolution, therefore, in any country cannot be made by others from outside.

With what speed and in what depth the revolution in each country will develop and when it will achieve victory—all

these depend mainly on the degree to which the revolutionary situation has ripened and on the degree of preparedness of the revolutionary forces themselves.

The revolutionary spirit of self-reliance stems precisely from such fundamental principle of Marxism-Leninism.

This law of revolutionary development demands that the Communists and Marxist-Leninist Party of each country possess the spirit to mobilize to the fullest extent the internal forces, carry on to the end the struggle against the enemy in any circumstances, depend on their own strength to create everything needed by the revolution, and advance incessantly, never remaining complacent with the successes already scored—in short, they must have the highest sense of responsibility and the most determined spirit towards the revolution.

It is not the attitude of a revolutionary to pin hopes on outside support and assistance alone in the course of revolution rather than on his own efforts. Such an attitude can never lead the revolution to a successful conclusion.

The revolutionary spirit of self-reliance represents the unbending spirit of fighting it out in any adversity until final victory is won, the creative spirit of making all necessary things by one's own strength; it is the idea of making continuous innovation and uninterrupted advance, displaying no indolence, complacency or vacillation under any circumstances.

Only when the proletariat and the Communists uphold such ideas and such principle, can they, no matter how complicated the situation, maintain the revolutionary integrity, persist in their struggle and win final victory in the revolution, pulling through twists and turns in the course of revolution.

Comrade Kim Il Sung said: "As Communists devoted to the struggle for revolution, we must have the spirit of self-reliance. Lack of this spirit will lead to lack of confidence in one's own strength, failure to mobilize well the internal resources of one's

own country and, therefore, inability to carry on the cause of revolution.”

Self-reliance is strictly based on the principles of proletarian internationalism.

The revolutionary movement of the proletariat has always been a struggle to smash the international chain of capital. Accordingly, the proletarian revolution and the communist movement are invariably internationalist by nature.

The proletariat and Communists of various countries discharge their duties, national and international, first of all, by successfully carrying out the revolution in their own countries with the support and encouragement of the international revolutionary movement. For the Communists and their Party to use their strength to promote the revolution to the fullest degree in their own countries is to deal a heavy blow to international capital and give active support to the revolutions of other countries.

The Communists should first successfully push forward the revolution in their own country as a contribution to the development of the international revolutionary movement and at the same time do everything in their power to actively support and assist the revolutions of other countries.

Lenin wrote in this connection:

“There is one, and only one kind of internationalism in deed: working wholeheartedly for the development of the revolutionary movement and the revolutionary struggle in one’s own country, and supporting (by propaganda, sympathy and material aid) such a struggle, such, and only such a line in every country without exception.”

Our Party has consistently and strictly adhered to the revolutionary principle of self-reliance in the arduous struggle against the imperialists, in the unrelenting struggle against the reactionaries at home and in the struggle for socialist revolution and socialist construction.

With firm confidence in victory in the extremely difficult conditions when there were no rear areas, the anti-Japanese partisans headed by Comrade Kim Il Sung waged a heroic anti-Japanese struggle for fifteen years, arming themselves with weapons captured from the enemy and managing to solve the problems of ammunition, food and clothes by their own efforts.

In fact, the struggle of the Korean Communists in the 1930's and every victory they won are all living examples of the revolutionary spirit of self-reliance.

Our Party, which has carried on the revolutionary tradition of the anti-Japanese partisans, has been able to win a tremendous victory since the liberation in the socialist revolution and construction decisively rejecting the national nihilist tendency and flunkeyism—the tendency to have no faith in one's own strength and place sole reliance on others—and basing itself on mobilizing to the fullest extent its own strength in the revolutionary spirit of self-reliance while receiving support and encouragement from the fraternal countries.

The line of our Party of reinforcing the political, economic and military might of the country in every way by doing everything in our power is not only the most correct way of promoting the Korean revolution but also a positive step for defending peace in Asia and fortifying the eastern forefront of the socialist camp.

This shows that our Party is not only faithful to its national duty but also is discharging in a responsible manner its internationalist duty to the world communist movement.

Self-reliance is the only thoroughly revolutionary stand, the stand which fully accords with the principle of proletarian internationalism.

To embody the revolutionary principle of self-reliance in socialist construction is to build above all a firmly independent economy.

The construction of an independent national economy means to lay a solid economic foundation capable of building a

national life with the nation's own strength under the banner of self-reliance.

"To build an independent national economy means many-sided economic development, the equipping of the economy with up-to-date technique and the creation of firm raw material bases, so that a comprehensive economic system linking organically all branches is formed and that heavy and light industrial products and farm produce, which guarantee the building of a prosperous and powerful country and the enhancement of the people's living, can in the main be produced at home."
(Kim Il Sung)

Building an independent national economy is of very great importance in guaranteeing national independence, successfully building socialism and increasing the might of the entire socialist camp.

No country can ensure its firm political independence, and realize its full equality and sovereignty in international relations without building an independent national economy.

Without economic independence, it is impossible for a country to guarantee its political independence or build its national life as master in its own house.

To strangle the political sovereignty of other countries and enslave them politically, the imperialists are putting a brake on the independent development of the national economy and turning them into economic appendages. Economic enslavement, exploitation and plundering of the backward agrarian countries by the industrially developed countries and, on this basis, political domination of the former by the latter — this typifies the mutual relations between countries in the capitalist world.

But it is impossible and impermissible for such phenomena to exist between the socialist countries. Relations between the socialist countries are based on the principles of complete equality, respect for national independence and sovereignty, and non-interference in each other's internal affairs, and on the

principle of fraternal mutual assistance.

The realization of the principles of complete equality and independence in the relations between countries calls for the economic independence of each country.

Some people who while talking about independence, equality and non-interference in other's internal affairs disapprove of the construction of an independent national economy, are in fact denying the sovereignty and equality of other countries.

It is also necessary to build an independent national economy for successfully building socialism.

To build socialism, it is essential to establish heavy industry with machine-building industry as its backbone, carry out socialist industrialization and, on this basis, develop light industry and agriculture and equip all the branches of the national economy with modern technique. Particularly, in former colonies and semi-colonies and backward agrarian countries, the key question is to build modern industry and industrialise the country in order to put a speedy end to the backwardness inherited from the past and catch up with the advanced countries.

For the successful fulfilment of this task, each country must develop its economy in a many-sided way; each country must grow into an independent economic unit which is run by its own strength, with its own technique, natural resources and raw and other materials and by its own national cadres.

Only when the national economy forms a comprehensive economic system and marches forward steadily on its own feet as an independent economic unit can all resources of the country be mobilised and utilised to the maximum, a correct balance maintained, and productive forces developed rapidly. Only thus, too, can a country swiftly develop its science, technology, and culture, steadily raise the cultural and technical level of the working people and train them in an all-round way, and advance to socialism and communism more rapidly.

What will happen if attention is directed only to the "tra-

dition of production," "advantages of natural economy," to the "gains" and thus to developing a few limited departments of production?

The national economy of the country in question will become lopsided and, moreover, be paralysed without economic aid from other countries. If only the departments of "traditional production" are developed, formerly industrially underdeveloped countries in particular will remain for ever in a backward state without modern industry.

Thus, they will find it impossible to promote their economic construction on their own initiative in the light of their needs, to achieve a proper balance of the national economy and to build socialism successfully.

The natural and economic conditions and tradition of production are not unchangeable, but they can be changed with the development of science, technology and production.

Communists have all the more reason to conquer nature, to turn to advantage unfavourable economic factors and, for the victory of socialism and communism, to start from scratch, create new things incessantly and march forward steadily. Only thus is it possible to mobilise and turn to account our entire wealth and redouble our strength.

As to the "gains," consideration must be given to both individual enterprises and to the national economy as a whole; to both the immediate interests and to the perspective of national economic development. To take a short-sighted view of the "gains" will mean that no new industrial branch will be established at all. It is a businessman's calculation to the detriment of socialist construction to place the gains of each enterprise above those of the national economy as a whole; and the immediate interests above the long-term interests of national economic development.

Only by constructing an independent national economy can each country accelerate socialist construction and, furthermore, increase the might of the entire socialist camp.

As independent economic units in the world socialist economic system, the economies of all socialist countries are developing in close co-ordination and co-operation with each other. When each of its units is strong, the world socialist economic system will increase its might and further consolidate its inner economic ties.

If the national economy of each socialist country cannot be developed comprehensively, and if it cannot maintain its firm independence, or play a role of its own, it will weaken every link of the entire socialist camp and therefore the entire world socialist economic system.

What is important is that the world socialist economic system as a whole will function satisfactorily and display its full strength, with the economy of each socialist country developing soundly and giving full play to its independent role.

Moreover, only when each country develops an independent national economy, can economic co-operation be effectively put into practice under the principles of proletarian internationalism and equality and mutual benefit.

The economic independence of each country should be further consolidated so that the relations of economic assistance and comradely co-operation among the fraternal countries can be deepened and developed still further under the principles of proletarian internationalism. As a matter of fact, a country with a backward and lopsided economy, no matter how ardently it desires to do so, cannot effectively take part in economic co-operation.

Accordingly, the construction of an independent national economy, instead of running counter to the interests of international co-operation, constitutes a guarantee for developing it more satisfactorily.

To develop an independent, comprehensive economy does not mean that a country should reject international economic intercourse and co-operation and produce everything it needs.

How can people with elementary common knowledge describe the construction of an independent national economy as an attempt to build a "closed economy" (autarky) or to "go it alone" in isolation from the socialist system, and even call it "nationalism?"

In the world today, there is no such thing as, nor can there be, a "closed economy" or an "isolated economy."

Each country should produce essential goods or those in great demand and solve the question of those goods in small demand or in short supply through international co-operation with the fraternal countries. Meanwhile, under the principle of meeting each other's needs, each country should supply fraternal countries with raw materials and products which they lack or need urgently.

All the countries of the socialist camp in the course of building socialism and communism should constantly help each other overcome difficulties and co-operate with each other in their common struggle. The economic co-operation among the fraternal countries should at all times help the countries concerned to accelerate socialist industrialisation and lay a firm material and technical foundation for socialism. The premise is that according to the stages reached in the development of their productive forces all countries should meet each other's needs and thus promote the construction of independent national economies.

Therefore it should be ensured that all the fraternal countries rapidly develop their economies, take concerted steps and march forward to the victory of the common cause of socialism.

Only when all the socialist countries build firm independent national economies and, on this basis, strengthen mutual co-operation, can the economy of each country be consolidated all the more firmly, the might of the world socialist camp further increased and the harmony of national and international interests in each country's socialist construction guaranteed.

Only then, can the superiority of the socialist system and world socialist economic system be given full play.

In the struggle between socialism and capitalism, all people are closely watching how the socialist countries safeguard their political independence, develop their economies and raise the living standards of their people.

In particular, it stands out as an extremely important task for the peoples of the colonial and dependent countries and the newly independent countries to construct an independent national economy in their endeavour to rid themselves of imperialist political domination and economic enslavement, consolidate their independence and ensure their complete independent development. Today the imperialists are pursuing new colonialist policies to subject these countries to economic enslavement and political domination under the cloak of "aid." Under such a situation, the peoples of these countries are closely watching to see how these countries, which not long ago were in almost the same situation as their own countries are in today, are developing on the path of socialism.

With the close economic co-operation of the countries of the socialist camp, we must build up an independent national economy and bring about speedily the political, economic and cultural development of the country, thus providing a practical example of how a nation taking the path of socialism enjoys genuine sovereignty and equality and builds a happy life. This will not only a demonstration of the achievements of economic construction in each country but also a powerful display of the superiority of the socialist system.

The construction of independent national economy in socialist countries will become an impressive force to win over to socialism hundreds of millions of people fighting against imperialist oppression and enslavement.

It was a particularly important and urgent question in our country to build an independent economy under the banner of self-reliance.

Our people took over from the old society a backward, lopsided economy with a very low level of technique.

As a result of the division of the fatherland due to the occupation of South Korea by U.S. imperialism following liberation, the economic onesidedness became even more lopsided. The three-year war again caused our national economy ruinous damage.

With half of our land reduced to a colony of U.S. imperialism, we have to wage a protracted, arduous struggle in direct opposition to the U.S. imperialists.

Under such circumstances we had to liquidate in the shortest span of time the onesidedness and backwardness of economy handed down from the old society, stabilise and improve the people's living as early as possible and lay a firm economic foundation for building a rich, strong, unified and independent state.

The construction of an independent national economy in our country was a question on which hinges the victory or defeat of the Korean revolution, a question of life or death. Without an independent national economy, independence, national construction or survival is out of the question.

It was a very difficult problem to build an independent economy under the conditions of inheriting a backward economy and culture from the past and lacking our national cadres and experiences in economic construction.

However, we have constantly adhered to this line and waged a stubborn struggle towards this goal. This is to ensure that there will be no repetition of our past sufferings when we were downtrodden, humiliated and maltreated by foreign aggressors because we were backward and powerless; that our people will be able to join all other peoples of the world as an independent, powerful and civilized people; and that our country will march towards socialism and communism together with the peoples of the brother countries.

Under the banner of self-reliance, our people have mobilized to the maximum all their forces and all home resources in the spirit of making everything which is unavailable and replenishing what is running short, while making a rational use of aid from fraternal countries. Thus, they have laid the solid foundation of an independent economy in a very short space of time.

Life has demonstrated the vitality of the line of building an independent national economy which our Party has set forth and which it has upheld in the past and is upholding persistently today.

The great might of the line of building an independent national economy finds its vivid expression in the many-sided and speedy development of the national economy.

The industry of our country grew at the high average rate of 33.6 per cent annually in the postwar period (1954-62).

In the year 1962 alone, our industry turned out more than in the first ten years following liberation (1946-55).

As a foundation for independent economic construction, heavy industry including the machine-building industry has been developed most rapidly. Between 1954 and 1962, our machine-building and metal-processing industries grew 22 times and their output value in 1962 showed an increase of 145 times that of the early period of liberation in 1946.

With the support of heavy industry our agriculture has also made great progress. In 1962, the grain output was nearly double the pre-liberation figure and we have become self-sufficient in grain.

Thanks to the implementation of our Party's line of building an independent economy, the colonial one-sidedness of our national economy has been done away with once and for all and its structure has undergone a fundamental change.

In 1946 industry accounted for 28 per cent of the total industrial and agricultural output value; in 1960 the figure

had increased to 71 per cent. The departments producing means of production, such as the machine-building industry, which were extremely backward in the past, have made speedy advances proportionally and a rational balance has been achieved between the different industrial branches.

We are now able to walk on our own legs; we can by ourselves manufacture the necessary machines and equipment, and erect modern factories and enterprises such as large-scale power plants, chemical factories and metallurgical works.

We have built the firm base of light industry whose products fill the nationwide commercial networks to satisfy the daily needs of the people.

We have already solved in the main the questions of food, clothing and housing for the people and laid a firm foundation for their more prosperous life in the future.

The successful building of the independent national economy has opened a favourable phase in our struggle for the peaceful reunification of our fatherland.

The solid foundation of an independent national economy laid in the northern part of Korea is having enormous revolutionary effect upon the South Korean people. The people of the South can see from the realities in the North that only political sovereignty and economic independence can ensure the prosperity of the nation and the well-being of the people and that this is the only way to follow to build a genuinely independent country.

Recently in South Korea, the people have raised ever more loudly their call against foreign interference and reliance upon foreign forces and for the reunification of their country through their own national strength and for the achievement of political sovereignty and economic independence.

As a result of building an independent national economy, we are now able to meet each other's economic needs and co-operate more effectively with fraternal countries in accordance

with the principles of complete equality and mutual benefit.

Under the banner of self-reliance, our people have increased the political and economic might of the country and fortified our revolutionary base like an impregnable fortress, thus reliably safeguarding the eastern outpost of the socialist camp, waging a tit-for-tat struggle against the U.S. imperialists.

Under the banner of self-reliance, we will continue to consolidate the independent national economy of the country by mobilising to the maximum our own strength and inner resources. The aim is to push ahead effectively with the socialist construction of the country, steadily develop co-operation with the peoples of the fraternal countries under the principle of proletarian internationalism and to make a more positive contribution to strengthening the might of the world socialist system and to the victory of the cause of socialism and communism.

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